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IN THE

# Supreme Court of the United States

OCTOBER TERM, A. D. 1940.

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No. 208  
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LOUIS KULESZA, FRANK HEYNAR and ZIGMUNT  
DZIENISIEWICZ, also known as Zigm. Dzienisiewicz,  
*Petitioners,*

v.

AMERICAN CAR AND FOUNDRY CO., a corporation,  
*Respondent.*

\_\_\_\_\_  
PETITION FOR WRIT OF CERTIORARI TO THE  
UNITED STATES CIRCUIT COURT OF APPEALS  
FOR THE SEVENTH CIRCUIT, AND BRIEF  
IN SUPPORT THEREOF.  
\_\_\_\_\_

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*Petitioners,*

v.

AMERICAN CAR AND FOUNDRY CO., a corporation,  
*Respondent.*

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## PETITION FOR WRIT OF CERTIORARI.

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*To the Honorable Chief Justice and Associate Justices  
of the Supreme Court of the United States:*

Your petitioners, Louis Kulesza, Frank Heynar and  
Zigmunt Dzienisiewicz, also known as Zigm. Dzienisiewicz,  
respectfully represent and show unto the Court as fol-  
lows:

That, on the 15th day of February, 1939, the United States District Court for the Northern District of Illinois, dismissed on motion of the Respondent, the American Car & Foundry Company, a corporation, the complaint, in equity, of the Petitioners against said Respondent, for the alleged infringement of Letters Patent, No. 886,541 (R. 108), and that afterwards, on the 29th day of February, 1940, the United States Circuit Court of Appeals for the Seventh Circuit, affirmed said order of the District Court (R. 158), and afterwards, on the 8th day of April, 1939, said Circuit Court of Appeals denied the petition of these Petitioners for a re-hearing (R. 159). The opinion of the Circuit Court of Appeals (R. 156-7) is published in 11 Federal, 2nd Reports, p. 58.

In the complaint of the Petitioners filed in the District Court (R. 2-14), in addition to alleging that said patent had been infringed by said Respondent, the American Car and Foundry Co., a corporation (R. 7), the Petitioners alleged; that said Letters Patent were issued to one, Elbert R. Robinson (R. 4); and that a group, which was composed of more than two thousand (2,000) persons, and of which said group Petitioners were all members; and, on whose behalf the Petitioners filed said complaint as a representative suit (R. 6); had advanced to said Robinson sums of money which aggregated an amount in excess of one million (\$1,000,000.00) dollars (R. 5); and for which said various sums of money, said Robinson executed notes by which he agreed to pay said persons certain sums of money which aggregated an amount in excess of fifty million (\$50,000,000.00) dollars; and that said notes were in effect secured by, and constituted a first lien and mortgage on said Patent (R. 5); and that the said several sums agreed to be paid by said Robinson, as evi-

denced by said notes, aggregated an amount far in excess of the value of said Patent, and far in excess of what could be recovered for the infringement of the same (R. 5).

It was further alleged, that said Robinson was deceased and that one, Addie Robinson, had been appointed administratrix of his estate (R. 4). Said Addie Robinson, as administratrix (R. 12) and various other individuals (R. 11-12), were made parties defendant to Petitioners' complaint, and it was averred that each claimed to have some interest in said Patent, but that their respective interests were subordinate to the interest of Petitioners and of the class represented by them (R. 11-12). No averment was made in said complaint that the individual defendants were residents of different states than the Petitioners.

The individual defendants, including the administratrix of Elbert R. Robinson, deceased, executed with the Petitioners written agreements which were filed in this case in the District Court (R. 85-87), in which said agreements the individual defendants "adopted and ratified" that portion of the Petitioners' complaint in which it was charged that the Respondent had infringed said Patent; and by said agreements, said Defendants also joined in the prayer in said complaint, that the Court find that said Patent had been infringed by the Respondent; and asked the Court, to proceed to determine the question of infringement, and to leave the matter of the rights of the Petitioners and the class represented by them against said individual defendants; to be determined in an "ancillary proceeding."

The Respondent moved to dismiss the Petitioners' complaint upon the following grounds:

1. Lack of jurisdiction to adjudicate conflicting title claims between the Plaintiffs and nominal Defendants, all citizens of the State of Illinois.

2. Lack of title of the Plaintiffs to the patent in suit (R. 105).

The Court sustained said motion and dismissed the Petitioners' complaint (R. 108).

The District Court, in its opinion (R. 108-112) held that the owner of the equitable title to a patent could maintain an action for the infringement of the same, by joining the holder of the legal title as a defendant, but that the rule was not applicable in this cause, because, as stated by the Court, the complaint did not rely upon an outstanding title but denied that there was any outstanding title (R. 111).

The Court of Appeals affirmed the Decree of the District Court (R. 158). None of the individual Defendants appeared in said cause in the Circuit Court of Appeals.

### **JURISDICTION.**

The jurisdiction of this Court is invoked under Section 240-A of the Judicial Code as amended by the Act of February 19, 1925.

### **QUESTION PRESENTED:**

Did the fact that the administratrix of the deceased patentee, Robinson, together with the other individual defendants, joined in that prayer of the Petitioners' complaint, whereby it was prayed that the Court find that said patent had been infringed by the Respondent; render

said administratrix and the other individual defendants; co-plaintiffs with the Petitioners, and vest the Court with jurisdiction of the cause?

### **SPECIFICATION OF ERRORS TO BE RELIED UPON.**

The Circuit Court of Appeals for the Seventh Circuit erred:

1. In not reversing the decree of the District Court and remanding the cause with directions to rule the Respondent, the American Car and Foundry Company, a corporation, to answer the same.

2. In declining to hold, that the fact that the administratrix of the deceased patentee Robinson, together with the other individual defendants joined in the prayer of the Petitioners' complaint, whereby it was prayed that the Court find that said Patent had been infringed by the Respondent; rendered said administratrix and other individual defendants joint plaintiffs with the Petitioners, and vested the Court with jurisdiction of the cause.

### **REASONS FOR GRANTING THE WRIT.**

The reasons urged for granting the Writ of Certiorari are:

First: That while no decision of this Court or of any Circuit Court of Appeals has been found that is directly in point, the decision of the Circuit Court of Appeals in this cause is, nevertheless, in conflict with the principles stated and applied in numerous decisions of other Circuit Courts of Appeal, and also of this Court.

Second: The question is of public importance, for the reason that the necessary effect of the decision of



the Circuit Court of Appeals is to deprive persons who advance money to inventors, under circumstances similar to those disclosed herein, of any remedy in the premises.

Wherefore, your Petitioners respectfully pray that a Writ of Certiorari be issued out of and under the seal of this Honorable Court, directed to the Circuit Court of Appeals for the Seventh Circuit, and commanding that Court to certify and send to this Court for its review and determination, on a day certain to be named therein, a full and complete transcript of the record and all proceedings in the case numbered and entitled on its docket: "Louis Kulesza, Frank Heynar and Zigmunt Dzienisiewicz, also known as Zigm. Dzienisiewicz, Plaintiffs-Appellants, *v.* American Car and Foundry Company, a corporation, *et al.*, Defendants-Appellees. No. 7039." And that said judgment of said Circuit Court of Appeals may be reversed by this Honorable Court, and that your Petitioners may have such other and further relief in the premises as to this Honorable Court may seem meet and just, and your Petitioners will ever pray.

Dated Chicago, Illinois, July 3, 1940.

Louis Kulesza,  
Frank Heynar, and  
Zigmunt Dzienisiewicz,

By HAROLD O. MULKS,  
*Counsel for Petitioner.*

# **PETITIONER'S BRIEF**

IN THE

# Supreme Court of the United States

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*Respondent.*

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BRIEF IN SUPPORT OF PETITION.

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PROPOSITIONS OF LAW RELIED UPON.

I.

The owner of the equitable title to a patent may bring an action in equity in a Federal Court for the infringement of the same, by joining the legal owner of the patent as a Defendant with the alleged infringer. In such a situa-

tion the Court can grant appropriate relief, notwithstanding that the legal owner of the patent is before the Court as a nominal Defendant and not a Co-plaintiff.

**Radio Corporation of America v. Emerson**, 296 Fed. 51.

**Deitel v. Chisholm**, 42 Fed. (2nd) p. 172.

**Ind. Wireless Co. v. Radio Corporation**, 269 U. S. 459.

*Libbey Glass Co. v. McGee Glass Co.*, 216 Fed. 172.  
Affirmed 220 Fed. 672.

## II.

It is of no importance in equity suits, that a party occupies the position of a Defendant, rather than of a Co-plaintiff; if the rights and interests of such party are similar to that of the Plaintiff, and adverse to the interests of any Defendant, the rights of such party, against such other Defendant, can be adjudicated as fully as if he were made a nominal plaintiff.

**Piatt v. Oliver**, Fed. Case No. 11,116.

**Sapp v. Phelps**, 92 Ill. 588.

**Pomeroy Equity Jurisprudence**, 4th Edition; Sec. 114; Vol. I, p. 134.

*Sadler v. Taylor*, 49 West Va. 104, 38 S. E. 583.

## III.

Where a Defendant in chancery joins in the prayer of the complaint, with the Plaintiff, he becomes, for all practical purposes, a co-plaintiff with the original party.

*Lindauer v. Companio Palomas*, 247 Fed. 428.

*Hamer v. New York Railways Co.*, 244 U. S. 267.

## IV.

Where a complaint in equity in a Federal Court states several causes of action; and the Court has jurisdiction of but one of them, the matters over which the Court has no jurisdiction will be stricken out and the complaint will be retained as to the matter over which the Court has jurisdiction.

*General Baking Co. v. Schultz Bread Co.*, 288 Fed. 954, affirmed in 293 Fed. 1018.

*Planten v. Gedney*, 224 Fed. 382.

*Hurn v. Oursler*, 289 U. S. 238.

## ARGUMENT.

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The theory of the Petitioners was, and is, that the allegations of their complaint that the notes in question "were in effect secured by, and constituted a first lien and mortgage on said patent" (R. 5), was sufficient to show that the owners of the notes were the equitable owners of the patent. And, further, it was, and is, their position that the equitable owner of the patent may maintain a bill in equity for the infringement of the same by joining the legal owner thereof as a party defendant.

This, it is respectfully submitted, is amply sustained by the authorities cited in Point I of Propositions of Law Relied Upon. The administratrix of the deceased patentee, who must, in the absence of an averment to the contrary, be presumed to be the owner of the patent, was made a party defendant. Hence, the legal owner of the patent was before the Court as a party defendant. And, hence, it follows that the Petitioners were entitled to relief, unless the joinder of said other individuals as Defendants, ousted the Court of jurisdiction.

It is the position of these Petitioners that such joinder did not divest the Federal Court of jurisdiction. The fact that such parties were before the Court as co-defendants rather than as co-plaintiffs, was of no importance, because the Petitioners' complaint was in equity, and the rights of said individuals including the administratrix of the deceased inventor, could be adjudicated against the alleged infringer, the Respondent here, as fully as if said parties had joined as co-plaintiffs.

(See authorities cited in Point II of Propositions of Law Relied Upon.)

Further, in any event, inasmuch as the individual defendants joined in that prayer of the Petitioners' complaint whereby it was prayed that the Court find that said patent had been infringed by the Respondent, they became, for all practical purposes, co-plaintiffs with the Petitioners.

(See authorities cited in Point III of Propositions of Law Relied Upon.)

Further, the fact that Petitioners prayed the Court in their complaint to adjudicate their rights against the individual defendants, without an averment that said defendants were residents of different States than the Petitioners, did not deprive the Court of jurisdiction, to adjudicate the question of infringement of the patent for the reason, that the joinder of a non-federal question with a federal question does not oust the Court of jurisdiction over the federal question; but the portion pertaining to the non-federal question, may be disregarded as surplusage or stricken out, and the Court may retain jurisdiction over the portion pertaining to the federal question.

(See authorities cited in Point IV of Propositions of Law Relied Upon.)

It is, therefore, respectfully submitted that the Writ of Certiorari should be granted, that the judgment of the Circuit Court of Appeals for the Seventh Circuit, and of the District Court for the Northern District of Illinois, Eastern Division, be reversed, and that this cause be remanded to the District Court, with instructions to rule the Respondent to answer the Petitioners' complaint.

Respectfully submitted,

HAROLD O. MULKS,

*Counsel for Petitioners.*





AUG 12 1940

CHARLES EDMUND GROPLEY

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*Petitioners,*

v.

AMERICAN CAR AND FOUNDRY CO., a corporation,  
*Respondent.*

**REPLY OF AMERICAN CAR AND FOUNDRY  
COMPANY TO PETITION FOR WRIT  
OF CERTIORARI.**

SAMUEL W. BANNING,  
EPHRAIM BANNING,  
*Counsel for Respondent, American  
Car and Foundry Company.*

IN THE

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**REPLY OF AMERICAN CAR AND FOUNDRY  
COMPANY TO PETITION FOR WRIT  
OF CERTIORARI.**

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*To the Honorable Chief Justice and Associate Justices  
of the Supreme Court of the United States:*

Your respondent, American Car Foundry Company replies unto the Court that in view of the meager statement of the case contained in the petition for the writ it is deemed desirable to state more fully the nature of the issues involved and the reasons justifying the dismissal of the petitioners' Bill of Complaint.

**REVISED STATEMENT OF THE CASE.**

The District Court (Judge Wilkerson) dismissed the petitioners' bill on the ground that the original plaintiffs had no adequate title to the patent in themselves, and were not relying upon the title of one or more of the individual defendants to supplement their own defective title, stating that (R. 111):

"The bill in the case at bar, however, does not rely upon any outstanding title; on the contrary, it denies that there is any outstanding title. Plaintiffs therefore rely only on whatever their own interest may be."

The case therefore is not one in which a defective title in a plaintiff can be cured by contributions from other sources which the bill itself repudiates.

The Robinson patent in suit expired on May 5, 1925, and the original bill of complaint was filed on July 26, 1929. The suit, however, involves the amended bill of complaint, which was filed on October 4, 1929. It sets forth that Louis Kulesza and the remaining complainants are all residents of Chicago, Illinois, and that they constitute a committee of fifteen representing some two thousand or more note holders who are alleged to represent the entire equitable title to the patent. It is also asserted that these holders of promissory notes have become mortgagees of the patent by reason of oral statements made in public meetings and elsewhere by Robinson, and the pleader asserts, as a conclusion of law, that "said notes were in effect secured by and constituted a first lien and mortgage on each and all of said Robinson patents, including the patent in suit, No. 886,541" (R. 5).

It is also asserted as a conclusion of law that the note holders "have full right, power and license to sue and

recover for infringements, either in their individual names, or collectively by representatives" (R. 6). It is also asserted that there are certain other parties who

"claim some form of title or interest in said patent No. 886,541, or recoveries thereunder, or both, *adverse* to or in *conflict* with the title and rights claimed by complainants herein" (R. 11).

In the same paragraph (No. 14, R. 11) the complainants pray that these other parties-defendant be

"brought into this proceeding and to have their alleged rights, claims or titles examined and investigated and to have this Court hold, as complainants believe it will hold upon such examination and investigation, that said other persons or parties have *no proper right, claim or title* in said patent No. 886,541, or in connection with the same, or any rights of any kind or nature in connection therewith, so that by this action complainants may have their rights to said patent No. 886,541 established once for all and may have all such other alleged claims, rights and titles *forever foreclosed and barred*" (R. 11).

The bill, in paragraphs 15, 16, 17 and 18 (R. 11-13) sets forth four persons or groups of persons who, by contract or otherwise, profess to have some form of interest *superior* to the interest of the plaintiffs. These various claims are in each case vaguely and indefinitely stated, and in no case do we find any assertion that any one or all of these adverse claimants is possessed of any form of recognizable title to the *patent itself*, or one which would entitle the adverse claimant (defendant) to prosecute a patent suit either individually or collectively with the other adverse claimants (defendants). After pointing out in each individual case that the adverse claim should not take precedence over the claims of the plaintiffs, and after

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praying for an adjudication in that regard, we find at the conclusion of paragraph 18 (R. 13) the following statement:

“\* \* \* and all to the object that the Court may ascertain and determine from the facts that the rights or claims of any of the defendants adverse and claimed to be adverse to the complainants are subsidiary to complainants' *rights and title* and, *therefore, null and void and of no effect*” \* \* \*

It is proper to observe at this point that the plaintiffs are relying upon merely “*an equitable title*”, and that they are asserting that the remaining claims of title before the Court are “void and of no effect,” and pray for an adjudication to that effect. It therefore follows that if these questions of conflicting title, all between citizens of the State of Illinois, were in fact adjudicated favorably to plaintiffs, as prayed for, and a decree entered in conformity with the bill, it would mean that the plaintiffs *alone* were in possession of valid claims respecting the patent, which are asserted to be merely an *equitable interest* in the patent, which is insufficient to support a patent suit.

The bill completely repudiates the idea that the ineffective claims of the note holding plaintiffs may be *supplemented* by elements of title derived from the individual defendants, and thus completely precludes the possibility of *combining* various fragmentary vestiges of title into a *complete* title enforceable against the American Car and Foundry Company. In short, the bill itself prevents a realignment of the parties in interest which appellant is here attempting in order to present a united front against the appellee, American Car and Foundry Company. In fact, the plaintiffs (R. 13)

“particularly ask that the parties defendant and respondents should remain such in this suit to the end

that all the claims, if any, of any form adverse to complainants touching the said patent, its issues and profits may be disclosed and decreed" \* \* \*

Among the claims of title which the plaintiffs in express terms repudiate is the alleged title of Addie Robinson, administratrix, whose claim is referred to in paragraph 16 of the bill (R. 12):

"And thus the said Addie Robinson is brought in as defendant that she may prevent whatever may be her claims in order that the Court may examine and consider the same and determine as complainants believe will be done, that said Addie Robinson has *no right or claim of any kind, either individually or as administratrix*, since the patent has been mortgaged and pledged to complainants herein and those whom they represent."

Furthermore, in the special answer filed by Naggo, Gray and Miller (R. 52), we find the assertion of these parties that on September 15th they entered into an agreement with the said Elbert R. Robinson and Addie Robinson, his wife,

"whereby and whereof the said *Elbert R. Robinson and Addie Robinson*, for a good and valuable consideration, transferred, assigned and set over to the defendants herein and other divers persons all rights, interests, title, claim and demand in and to any and all patents issued or granted to the said Elbert R. Robinson," etc.

On page 10 of the petitioners' argument, it is stated that:

"The administratrix of the deceased patentee, who must, in the absence of an averment to the contrary, be presumed to be the owner of the patent, was made a party defendant. Hence, the legal owner of the patent was before the Court as a party defendant."

On the contrary, it appears from the face of the bill itself that Addie Robinson did *not* have the legal title and that other individual defendants in their answers were asserting interests adverse both to the original plaintiffs and to Addie Robinson, administratrix.

This is in no sense a case in which the plaintiffs, as holders of an incomplete or defective title, are including other persons asserted to have fractions or elements of title for the purpose of rounding out and supplementing the incomplete title of the plaintiffs, but is, on the contrary, a suit in which the plaintiffs ineffectively assert complete title and capacity to sue in themselves alone, and pray that the Court may *nullify and extinguish* all other outstanding adverse claims. The suit must therefore fail for the two-fold reasons (1) that the bill nowhere sets forth that a *complete* title is before the Court, and (2) that a Federal Court is called upon to adjudicate conflicting title claims between citizens of the same state before it can adjudicate a patent suit.

The two causes of action are wholly separate and distinct, and since the first cause involves a purely local question, a Federal Court cannot acquire jurisdiction of it by combining it with a charge of patent infringement against a third party in no way interested in the title controversy. This is, therefore, not a suit in which by stipulation or otherwise the individual defendants can combine at a late date to present a united front against American Car and Foundry Company in contravention of the averments contained in the pleadings.

## PROPOSITIONS OF LAW.

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### I.

The plaintiffs, not having asserted in themselves a sufficient title and not having asserted that the residue of a complete title is in the individual defendants, have no entree into a Federal Court under a claim of patent infringement.

The above proposition is clearly established by the decision of this Court in the case of *Florida Central & Peninsula R. R. v. Bell*, 176 U. S. 321, 44 L. Ed. 486, 489:

"\* \* \* the suit was one of which the circuit court, at the time its jurisdiction is invoked, could properly take cognizance. If it does not so appear, then the court, upon demurrer or motion, or upon its own inspection of the pleading, must *dismiss the suit*, \* \* \* It cannot retain it in order to see whether the *defendant* may not raise some question of a Federal nature upon which the right of recovery will finally depend; and, if so retained, the want of jurisdiction at the *commencement* of the suit is not *cured* by an answer or plea which may suggest a question of that kind."

As was said by the Supreme Court in the case of *Tyler v. Judges of the Court of Registration*, 179 U. S. 405, 45 L. Ed. 253: "The plaintiff is bound to show an interest in the suit personal to himself" and he "must recover upon the strength of his own title and not upon the weakness of the defendants." And again, that when there is a title or right claimed under the Statutes of the United States



“that title or right must be one of the plaintiff in error, and not of a third person only.”

In the case of *Tennessee v. Union & Planters Bank, et al*, 152 U. S. 454, 38 L. Ed. 511, this Court said:

“A suggestion of one party, that the other will or may set up a claim under the Constitution or laws of the United States, does not make the suit one arising under that Constitution or those laws.”

The question regarding a plaintiff's right of entree into a Federal Court is clearly stated by the U. S. Court of Appeals for the Third Circuit in *Atherton Machine Co. v. Atwood-Morrison Co.*, 102 Fed. 949, 956:

“An averment of title in the complainant must necessarily be made, and is the necessary foundation for all rights asserted or litigated by the complainant. It is an averment without which complainant has no proper standing in court. It matters not whether the title be that of the patentee, derived directly from the grant made by the government, or that of an assignee of the patentee or the assignee of an assignee. In either case it is the statement of a *prima facie* qualification to institute the suit.”

## II.

**It is necessary in a patent suit that the plaintiffs show in themselves a complete title to the patent save in a few sharply defined exceptions, and in all cases the complete title must be definitely before the Court.**

In the case of *Crown Die & Tool Co. v. Nye Tool & Machine Works*, 261 U. S. 24, 67 L. Ed. 516, pp. 521-2, the Supreme Court said:

“With a single exception the plaintiff in an action at law must be the person or persons in whom the legal title to the patent resided at the time of the infringement. \* \* \* The exception above referred to

arises where an assignment of a patent is coupled with an assignment of a right of action for past infringements. \* \* \* A claim to recover profits or damages for past infringement cannot be severed from the title by assignment or grant, so as to give a right of action for such claim, in disregard of the statute. The profits or damages for infringement cannot be sued for except on the basis of title as patentee, or as such assignee or grantee, to the whole or a part of the patent, and not on the basis merely of the assignment of a right to a claim for profits and damages, severed from such title."

In the case of *Waterman v. McKenzie*, 138 U. S. 252, 34 L. Ed. 923, 925, this Court said:

"The monopoly thus granted is one entire thing, and cannot be divided into parts, except as authorized by those laws. The patentee or his assigns may, by instrument in writing, assign, grant, and convey, either (1st) the whole patent, comprising the exclusive right to make, use and vend the invention throughout the United States; or (2d) an undivided part or share of that exclusive right; or (3d) the exclusive right under the patent within and throughout a specified part of the United States. Rev. Stat. § 4898. A transfer of either of these three kinds of interests is an assignment, properly speaking, and vests in the assignee a title in so much of the patent itself, with a right to sue infringers; in the second case, jointly with the assignor; in the first and third cases, in the name of the assignee alone. Any assignment or transfer, short of one of these, is a mere license, giving the licensee no title in the patent, and no right to sue at law in his own name for an infringement."

In the case of *Kulesza v. Blair*, 70 Fed. (2d) 505, the same group of plaintiffs brought suit against Chicago Railways Company, asserting that the notes given by Robinson were in legal effect mortgages on the Robinson

patent. In the present case, the Court of Appeals held (R. 157):

"The questions here presented were before us in *Kulesza v. Blair*, 70 F. (2d) 505, where the nature of appellants alleged title is fully set forth, and we decided them adversely to appellants' contentions here."

In the *Blair* case, the Court of Appeals said:

"Appellants claimed that the right to bring the action in their own names arose out of the fact that Robinson had created a mortgage on all his patents in favor of all those persons who furnished the money needed by him to patent his inventions and to carry on the litigation started by him to protect his patent rights."

After full consideration of the status of the note holders, the Court stated:

"It may perhaps be that the patentee intended to assign the same interest in all his patents, but the silence of the record as to delivery and the difficulty of identifying the parties alleged to be benefited by the assignment, in addition to the ambiguity as to the patents alleged to be assigned, warranted the district court in holding that this instrument did not give the appellants the title to Patent No. 886,541.

"We have less hesitation in reaching this conclusion because of the previous litigation between these same parties. The case at bar is one of a long series of cases in the Federal and State Courts involving the patents of Robinson, including one criminal case in which the inventor was convicted of maintaining a confidence game by the use of notes such as are here involved. *People v. Robinson*, 299 Ill. 617, 132 N. E. 803. \* \* \* It would seem that every opportunity was given to him to prove his rights of action but the courts did insist that their rules of procedure should be respected and followed. \* \* \* Appellants have shown no title in themselves to support their cause

of action. They had a right to protect themselves by taking a valid assignment of Robinson's patent rights if they chose to advance money to him for his litigation. If they relied upon vague promises of his that they were mortgagees of his patent rights, they cannot now be heard to complain because their mortgage is not capable of proof. The fact of their lack of title renders it unnecessary for us to consider other questions presented."

### III.

**A bill of complaint asking for an affirmative adjudication respecting the title to a patent does not involve a Federal question, and jurisdiction cannot be conferred by combining such a cause of action with a charge of patent infringement against a stranger to the title controversy.**

In the case of *Luckett v. Delpark*, 270 U. S. 496, 70 L. Ed. 703, 708, it was held:

"\* \* \* where a patentee complainant \* \* \* asks the aid of the court in declaring a forfeiture of the license or in restoring an unclouded title to the patent, he does not give the Federal district court jurisdiction of the cause as one arising under the patent laws. Nor may he confer it in such a case by adding to his bill an averment that after the forfeiture shall be declared, or the title to the patent shall be restored, he fears the defendant will infringe and therefore asks an injunction to prevent it. That was *Wilson v. Sanford*. If in that case the patentee complainant had based his action on his patent right and had sued for infringement, and by anticipation of a defense of the assignment had alleged a forfeiture by his own declaration without seeking aid of the court, jurisdiction under the patent laws would have attached, and he would have had to meet the claim by the defendant that forfeiture of the license or assignment

and restoration of title could not be had except by a decree of a court, which if sustained would have defeated his prayer for an injunction on the merits. But when the patentee exercises his choice and bases his action on the contract and seeks remedies thereunder, he may not give the case a double aspect, so to speak and make it a patent case conditioned on his securing equitable relief as to the contract."

In the case of *White v. Rankin*, 144 U. S. 628, 36 L. Ed. 569, the Supreme Court said:

(P. 572) "The decree was not one upon the facts of the case, but was simply a decree that the court had no jurisdiction to try the case. The subject-matter of the action, as set forth in the bill, gave the court jurisdiction, and exclusive jurisdiction, to try it. All of the parties to the suit were citizens of California, and if jurisdiction did not exist under the patent laws it did not exist at all."

In the case of *Marsh v. Nichols*, 140 U. S. 344, 35 L. Ed. 413, this Court said:

(P. 417) "In this case the state court did not decide any questions arising under the Patent Laws, nor did the judgment require, to sustain it, any such decision. Neither the validity of the patent, nor its construction, nor the patentability of the device, was brought under consideration, even collaterally."

The above decisions indicate beyond question that the title controversy set forth in the present bill is an issue complete in itself and having no relevancy whatever to any Federal question properly arising under the Patent Laws or requiring the presence of the corporate defendant American Car and Foundry Company for its complete determination. Plaintiffs cannot, therefore, engraft such a controversy on to an infringement suit for the purpose of invoking Federal jurisdiction.

The only exceptions to the rule requiring full patent title in the plaintiff are in cases where the party holding the legal title is himself an infringer in violation of an exclusive license given to the plaintiff, or where the party holding title is brought in as an unwilling plaintiff to prevent a failure of justice.

In *Littlefield v. Perry*, 88 U. S. 205, 22 L. Ed. 577, this Court said with reference to an infringement suit brought by a licensee:

"A mere licensee cannot sue strangers who infringe. \* \* \* In this case the person who should have protected the plaintiff against all infringements has become himself the infringer. He held the legal title to his patent in trust for his licensees. \* \* \* This wrong is an infringement. Its redress involves a suit, therefore, arising under the patent laws, and of that suit the circuit court has jurisdiction."

In *Independent Wireless Telegraph Company v. Radio Corporation of America*, 269 U. S. 458, 70 L. Ed. 357, 359, the Court considered a case in which the DeForest Radio Telephone and Telegraph Company was the holder of the legal title and was joined as an unwilling plaintiff in a suit brought by the Independent company. The Court said:

"\* \* \* before filing this bill of complaint, said DeForest Radio Telephone & Telegraph Company was requested to consent to join, as a coplaintiff, herein, but declined; that said DeForest Radio Telephone & Telegraph Company is not within the jurisdiction of the court and therefore cannot be made a defendant herein; and that therefore to prevent a failure of justice, and to enable the plaintiff Radio Corporation of America to protect its exclusive rights under the patents in suit, said DeForest Radio Telephone & Tele-

graph Company is made a plaintiff herein without its consent. \* \* \* A suit without the owner of the patent as a plaintiff, if maintainable, would not be a suit under § 4921 of the patent laws but only an action in equity based on the contract rights of the licensee under the license and a stranger's violation of them. There would be no jurisdiction in courts of the United States to entertain it unless by reason of diverse citizenship of the parties which does not exist in this case."

### ARGUMENT.

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The theory of the petitioners seems to be that in complete contravention of the pleadings in this case, and despite the fact that the note holding plaintiffs have no title in themselves, and despite the fact that the bill of complaint denies title in any one else, the parties at a later date may stipulate to combine forces in order to present a united front against the American Car and Foundry Company. There is no showing that this combination represents the entire title to the Robinson patents, but on the contrary the pleadings clearly set forth that the entire title is *not* before the Court. The American Car and Foundry Company is a complete stranger to the title controversy which is wholly separate and distinct from the charge of infringement, involving different subject matter, different forms of relief, and different bases of jurisdiction. The present controversy is the clearest possible example of an effort to combine a local controversy with one arising under the Federal Laws, and to invoke Federal jurisdiction as a cloak to cover the local issue.

As was pointed out in the Kulesza decision, the present case is the last of a long series of litigations under the Robinson patent, these suits having continued over more than a generation of time.

The fact that Robinson's criminal machinations have resulted in a situation which renders it practically impossible to determine the legal status of the Robinson patents affords no basis whatever for the attempt to foist upon



a Federal Court the task of endeavoring to clean out the Augean stables, nor does it afford any reason why the corporate defendants should be compelled to sit on the side lines while this Herculean effort is in progress.

The petition sets forth no reasons whatever for the grant of the writ of certiorari, and the same should be denied.

Respectfully submitted,

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